



January 29, 2021

Attn: Michael McMillan
NM Oil Conservation Division
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Application for Administrative Approval
Off-lease Measurement – Oil Only

Dear Mr. McMillan,

COG Production LLC respectfully requests approval for off-lease measurement for the following wells:

Eider Federal 2H
API# 30-025-41813
Wildcat; Bone Spring
Ut. O, Sec. 35-T24S-R32E
Lea County, NM

Oil Production:

The oil production from these wells may be transported by truck to either the Red Hills Offload Station, located in Unit O, Section 4-T26S-R32E, or the Jal Offload Station, located in Unit D, Section 4-T26S-R37E, Lea County in the event the CTB on lease is over capacity or in the case of battery or pipeline repairs. Oil will remain segregated and will be measured by lact meter when offloading at the Offload Stations.

No owner notification is necessary. A letter from a certified Landman stating all owners and interest are identical is enclosed. A certified letter to the BLM office will be mailed out, information attached.

Please see the enclosed Administrative Application Checklist, C-107-B Application for Off Lease Measurement, plats for referenced wells, site facility diagram, maps with lease boundaries showing wells and facility locations.

Thank you for your attention to this matter. If you have questions or need further information, please email me at jbarron@concho.com or call 575.748.6974.

Sincerely,

A handwritten signature in black ink that reads "Jeanette Barron".

Jeanette Barron
Regulatory Technician II

CORPORATE ADDRESS

One Concho Center | 600 West Illinois Avenue | Midland, Texas 79701
P 432.683.7443 | F 432.683.7441

ARTESIA WEST OFFICE

2208 Main Street | Artesia, New Mexico 88210
P 575.748.6940 | F 575.746.2096

Revised March 23, 2017

RECEIVED:	REVIEWER:	TYPE:	APP NO:
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ABOVE THIS TABLE FOR OCD DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
 - Geological & Engineering Bureau -
 1220 South St. Francis Drive, Santa Fe, NM 87505



ADMINISTRATIVE APPLICATION CHECKLIST

THIS CHECKLIST IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND
 REGULATIONS WHICH REQUIRE PROCESSING AT THE DIVISION LEVEL IN SANTA FE

Applicant: COG Production, LLC **OGRID Number:** 217955
Well Name: Eider Federal 2H **API:** 30-025-41813
Pool: Wildcat; Bone Springs **Pool Code:** 97964

**SUBMIT ACCURATE AND COMPLETE INFORMATION REQUIRED TO PROCESS THE TYPE OF APPLICATION
 INDICATED BELOW**

- 1) **TYPE OF APPLICATION:** Check those which apply for [A]
 A. Location - Spacing Unit - Simultaneous Dedication
☐ NSL ☐ NSP (PROJECT AREA) ☐ NSP (PRORATION UNIT) ☐ SD

B. Check one only for [I] or [II]

[I] Commingling - Storage - Measurement
☐ DHC ☐ CTB ☐ PLC ☐ PC ☐ OLS ☒ OLM

[II] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
☐ WFX ☐ PMX ☐ SWD ☐ IPI ☐ EOR ☐ PPR

- 2) **NOTIFICATION REQUIRED TO:** Check those which apply.

- A. ☐ Offset operators or lease holders
 B. ☐ Royalty, overriding royalty owners, revenue owners
 C. ☐ Application requires published notice
 D. ☐ Notification and/or concurrent approval by SLO
 E. ☒ Notification and/or concurrent approval by BLM
 F. ☐ Surface owner
 G. ☐ For all of the above, proof of notification or publication is attached, and/or,
 H. ☐ No notice required

FOR OCD ONLY

- ☐ Notice Complete
☐ Application
 Content
 Complete

- 3) **CERTIFICATION:** I hereby certify that the information submitted with this application for administrative approval is **accurate** and **complete** to the best of my knowledge. I also understand that **no action** will be taken on this application until the required information and notifications are submitted to the Division.

Note: Statement must be completed by an individual with managerial and/or supervisory capacity.

Jeanette Barron

Print or Type Name

Signature

Date

575-746-6974

Phone Number

jbarron@concho.com

e-mail Address

District I
1625 N. French Drive, Hobbs, NM 88240
District II
811 S. First St., Artesia, NM 88210
District III
1000 Rio Brazos Road, Aztec, NM 87410
District IV
1220 S. St Francis Dr. Santa Fe, NM
87505

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-107-B
Revised August 1, 2011

OIL CONSERVATION DIVISION
1220 S. St Francis Drive
Santa Fe, New Mexico 87505

Submit the original
application to the Santa Fe
office with one copy to the
appropriate District Office.

APPLICATION FOR SURFACE COMMINGLING (DIVERSE OWNERSHIP)

OPERATOR NAME: COG Production LLC
OPERATOR ADDRESS: 2208 W Main Street, Artesia, New Mexico 88210
APPLICATION TYPE:

☐ Pool Commingling ☐ Lease Commingling ☐ Pool and Lease Commingling ☒ Off-Lease Storage and Measurement (Only if not Surface Commingled)

LEASE TYPE: ☐ Fee ☐ State ☒ Federal

Is this an Amendment to existing Order? ☐ Yes ☐ No If "Yes", please include the appropriate Order No. _____
Have the Bureau of Land Management (BLM) and State Land office (SLO) been notified in writing of the proposed commingling
☐ Yes ☐ No

(A) POOL COMMINGLING
Please attach sheets with the following information

(1) Pool Names and Codes	Gravities / BTU of Non-Commingled Production	Calculated Gravities / BTU of Commingled Production		Calculated Value of Commingled Production	Volumes

- (2) Are any wells producing at top allowables? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No.
(4) Measurement type: ☐ Metering ☐ Other (Specify)
(5) Will commingling decrease the value of production? ☐ Yes ☐ No If "yes", describe why commingling should be approved

(B) LEASE COMMINGLING
Please attach sheets with the following information

- (1) Pool Name and Code.
(2) Is all production from same source of supply? ☐ Yes ☐ No
(3) Has all interest owners been notified by certified mail of the proposed commingling? ☐ Yes ☐ No
(4) Measurement type: ☐ Metering ☐ Other (Specify)

(C) POOL and LEASE COMMINGLING
Please attach sheets with the following information

- (1) Complete Sections A and E.

(D) OFF-LEASE STORAGE and MEASUREMENT
Please attach sheets with the following information

- (1) Is all production from same source of supply? ☒ Yes ☐ No
(2) Include proof of notice to all interest owners.

(E) ADDITIONAL INFORMATION (for all application types)
Please attach sheets with the following information

- (1) A schematic diagram of facility, including legal location.
(2) A plat with lease boundaries showing all well and facility locations. Include lease numbers if Federal or State lands are involved.
(3) Lease Names, Lease and Well Numbers, and API Numbers.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE: Jeanette Barron

TITLE: Regulatory Technician II

DATE: 1/29/21

TYPE OR PRINT NAME Jeanette Barron TELEPHONE NO.: 575.748.6974

E-MAIL ADDRESS: jbarron@concho.com

District I
1625 N. French Dr., Hobbs, NM 88240
Phone: (575) 393-6161 Fax: (575) 393-0720
District II
811 S. First St., Artesia, NM 88210
Phone: (575) 748-1283 Fax: (575) 748-9720
District III
1000 Rio Brazos Road, Aztec, NM 87410
Phone: (505) 334-6178 Fax: (505) 334-6170
District IV
1320 S. St. Francis Dr., Santa Fe, NM 87505
Phone: (505) 476-3460 Fax: (505) 476-3462

State of New Mexico
Energy, Minerals & Natural Resources Department
OIL CONSERVATION DIVISION
1220 South St. Francis Dr.
Santa Fe, NM 87505

Form C-102
Revised August 1, 2011
Submit one copy to appropriate
District Office
☐ AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-41813	² Pool Code 97964	³ Pool Name WC-025 G-07 S243225C; LWR BONE SPRINGS
⁴ Property Code 314193	⁵ Property Name EIDER FEDERAL	⁶ Well Number 2H
⁷ OGRID No. 217955	⁸ Operator Name COG PRODUCTION LLC	⁹ Elevation 3534.3'

*** Surface Location**

UL or lot no. O	Section 35	Township 24-S	Range 32-E	Lot 1 dn	Feet from the 190	North/South line SOUTH	Feet from the 1795	East/West line EAST	County LEA
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" Bottom Hole Location If Different From Surface

UL or lot no. B	Section 26	Township 24-S	Range 32-E	Lot 1 dn	Feet from the 342	North/South line NORTH	Feet from the 1827	East/West line EAST	County LEA
¹⁰ Dedicated Acres 320	¹¹ Joint or Infill	¹² Consolidation Code	¹³ Order No.						

No allowable will be assigned to this completion until all interests have been consolidated or a non-standard unit has been approved by the division.

			342'						
		BHL					1827'		
		SHL					1795'		
		190'							

¹⁷ OPERATOR CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief, and that this organization either owns a working interest or unleased mineral interest in the land including the proposed bottom hole location or has a right to drill this well at this location pursuant to a contract with an owner of such a mineral or working interest, or to a voluntary pooling agreement or a compulsory pooling order heretofore entered by the division.

Signature: Jaquette Barron Date: 1/29/21

Jaquette Barron
Printed Name

j.barron@concho.com
E-mail Address

¹⁸ SURVEYOR CERTIFICATION
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

REFER TO ORIGINAL PLAT

Date of Survey

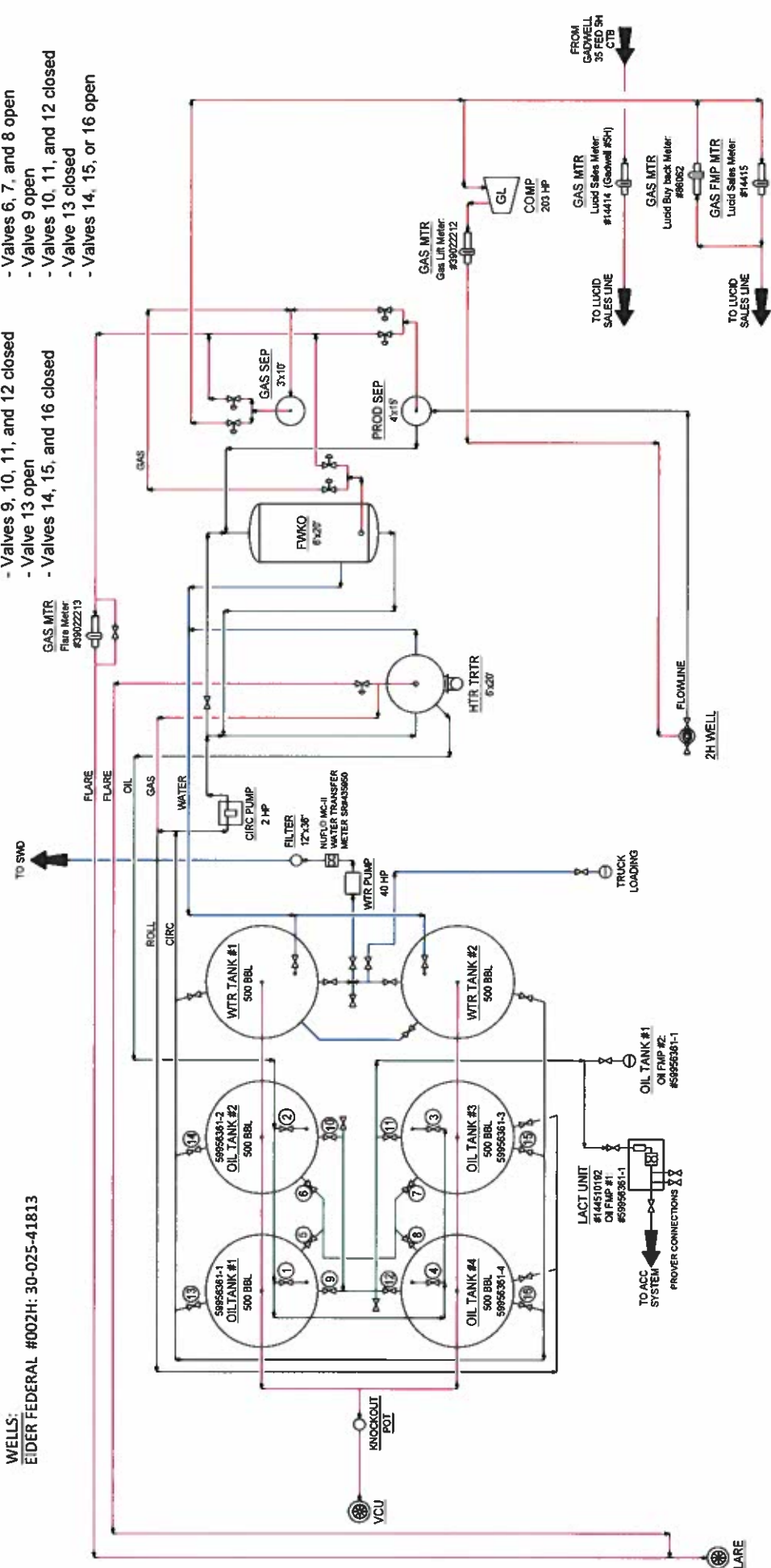
Signature and Seal of Professional Surveyor:

Certificate Number

EIDER FEDERAL 2H BATTERY
SECTION 35, T24S, R32E, UNIT O
COORDS: 32.167553, -103.642679
LEA COUNTY, NM

WELLS:
EIDER FEDERAL #002H: 30-025-41813

- Production Phase - Oil Tank #1**
- Valve 1 open
 - Valves 2, 3, and 4 closed
 - Valves 5, 6, 7, and 8 open
 - Valves 9, 10, 11, and 12 closed
 - Valve 13 open
 - Valves 14, 15, and 16 closed
- Sales Phase - Oil Tank #1**
- Valve 1 closed
 - Valves 2, 3, or 4 open
 - Valve 5 closed
 - Valves 6, 7, and 8 open
 - Valve 9 open
 - Valves 10, 11, and 12 closed
 - Valve 13 closed
 - Valves 14, 15, or 16 open



NOTES

Type of Lease: Federal
Lease #: MNM 1209007
CA/Agreement #: N/A
Property Code: 314193
OGRID #: 217955

Ledger for Site Diagram

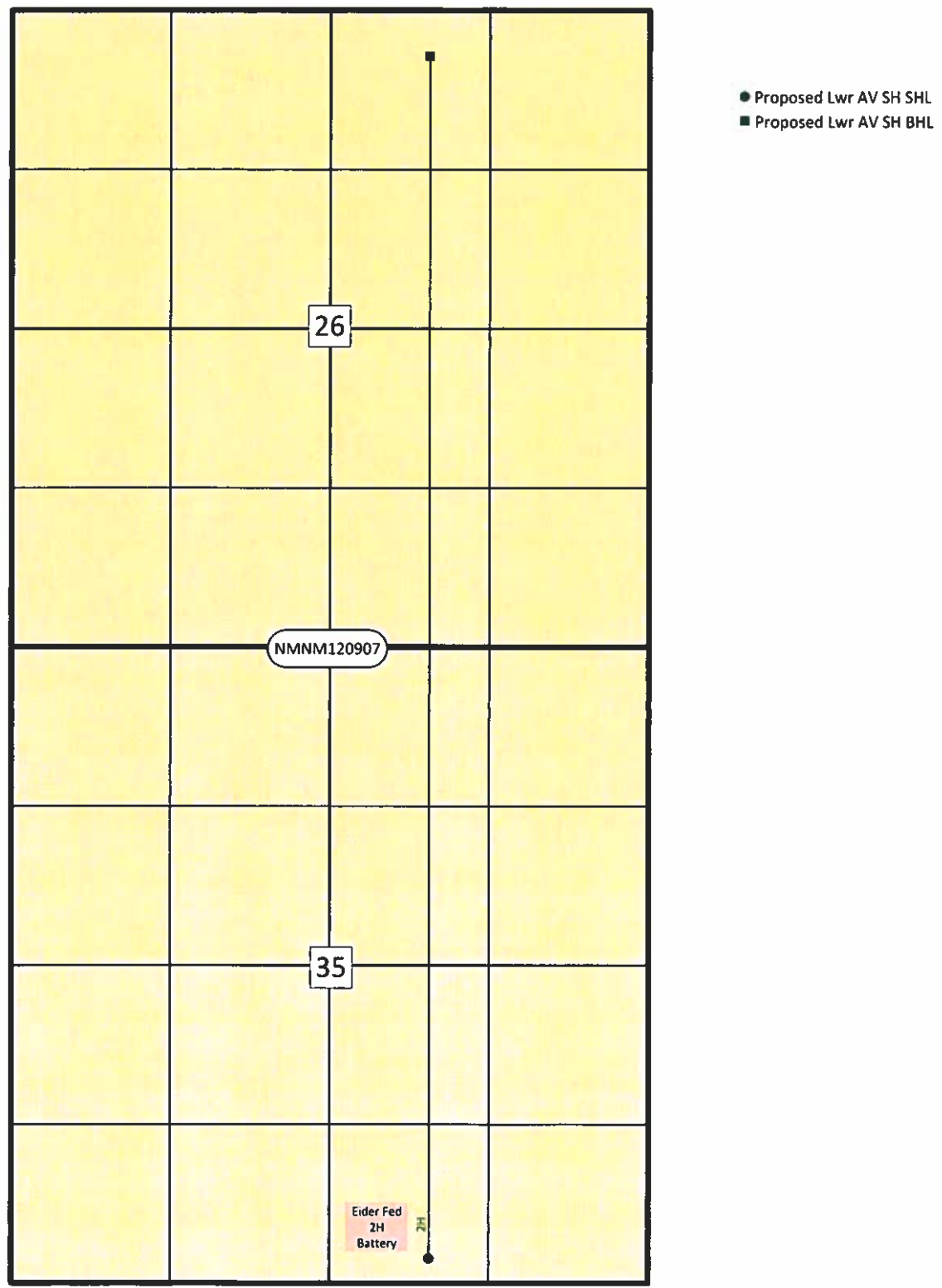
Produced Fluid: _____
Produced Oil: _____
Produced Gas: _____
Produced Water: _____
Flare/Vent: _____

CONCORDANCE RECORD		REVISIONS		REFERENCE DRAWINGS		CONCORDANCE RECORD	
REV	DATE	BY	CHK	APP	DESCRIPTION	REV	DATE
A	06/02/18	AS	MS	AS	ISSUED FOR REVIEW	A	06/02/18
B	06/04/18	AS	OW	AS	ISSUED FOR BLM REQUEST	B	06/04/18
C	01/30/19	AS	OW	AS	ISSUED FOR FLD VERIFICATION	C	01/30/19
D	01/07/21	AS	OW	AS	ISSUED FOR FLD VERIFICATION	D	01/07/21

ONE CONCHO CENTER 600 WEST LUMAS AVENUE MIDLAND, TEXAS 79701	COO PRODUCTION LLC SITE SECURITY PLANS LOCATED AT:
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CONCHO	NORTHERN DELAWARE BASIN ASSET PRODUCTION FACILITIES EIDER FEDERAL 2H BATTERY	LEA COUNTY TOWNSHIP/RANGE NONE	WELLS EIDER FEDERAL 2H BATTERY	MAP MONROE REV D
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Eider Federal 2H



Sec. 26, 35-T24S-R32E
Lea County, NM





Matt Solomon
Staff Landman

January 29, 2021

RE: Off-Lease Measurement For The Eider Federal 2H

To Whom It Concerns:

My name is Matt Solomon, and I am the landman that oversees the captioned well COG Production LLC ("Concho").

Regarding the captioned well the following statement is true:

- 1) Concho owns 100% of the working interest.

Respectfully submitted,

A handwritten signature in black ink, appearing to be "MS" or similar initials, written over a horizontal line.

Matt Solomon - CPL, J.D.
Staff Landman
432-685-4352 (o)
832-544-9492 (c)
msolomon@concho.com

EIDER FEDERAL 2H								
Date Sent	Initials	Name	Address	City	State	ZipCode	Certified Return Receipt No.	Delivered
01/29/21	JB	BLM	414 West Taylor	Hobbs	NM	88240	7017 3040 0000 1206 4739	

From: [Engineer, OCD, EMNRD](#)
To: [Jeanette Barron](#); [Barron, Jeanette](#)
Cc: [McClure, Dean, EMNRD](#); [Bratcher, Mike, EMNRD](#); [Kautz, Paul, EMNRD](#); lisa@rwbyram.com; [Glover, James](#); kparadis@blm.gov; [Walls, Christopher](#)
Subject: Approved Administrative Order OLM-231
Date: Monday, February 22, 2021 4:41:11 PM
Attachments: [OLM231 Order.pdf](#)

NMOCD has issued Administrative Order OLM-231 which authorizes COG Production, LLC (217955) to surface commingle or off-lease measure, as applicable, the following wells:

Well API	Well Name	Location (NMPPM)	Pool Code
30-025-41813	Eider Federal #2H	O-35-24S-32E	97964

The administrative order is attached to this email and can also be found online at OCD Imaging.

Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.

Dean McClure
Petroleum Engineer, Oil Conservation Division
New Mexico Energy, Minerals and Natural Resources Department
(505) 469-8211

Status
Delivered

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

**APPLICATION FOR OFF-LEASE MEASUREMENT
SUBMITTED BY COG PRODUCTION, LLC**

ORDER NO. OLM-231

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having considered the application and the recommendation of the Engineering Bureau, issues the following Order.

FINDINGS OF FACT

1. COG Production, LLC ("Applicant") submitted a complete application to off-lease measure the oil production ("Application") from the wells, pool, and lease identified in Exhibit A.
2. Applicant provided notice of the Application to all persons owning a working interest in the oil production to be off-lease measured in accordance with 19.15.23.9(A)(5) NMAC, and those persons either submitted a written waiver or did not file an objection to the Application.
3. Applicant provided notice of the Application to the Bureau of Land Management or New Mexico State Land Office, as applicable.

CONCLUSIONS OF LAW

4. OCD has jurisdiction to issue this Order pursuant to the Oil and Gas Act, NMSA 1978, §§ 70-2-6, 70-2-11, 70-2-12, and 19.15.23 NMAC.
5. Applicant satisfied the notice requirements for the Application in accordance with 19.15.23.9(A)(5) NMAC.
6. By granting the Application with the conditions specified below, this Order prevents waste and protects correlative rights, public health, and the environment.

ORDER

1. Applicant is authorized to off-lease measure oil production from the wells, pool, and lease identified in Exhibit A.
2. The oil production from the wells identified in Exhibit A shall be physically separated from the oil production from other wells and no commingling of production from different leases shall occur in accordance with 19.15.23.9(A)(3) NMAC and 19.15.23.9(A)(4) NMAC.
3. Applicant shall measure the commingled oil at a central tank battery described in Exhibit A in accordance with 19.15.18.15 NMAC or 19.15.23.8 NMAC.
4. Applicant shall calibrate the meters used to measure or allocate oil production in accordance with 19.15.12.10(C)(2) NMAC.

5. OCD retains jurisdiction and reserves the right to modify or revoke this Order if it is deemed necessary to prevent waste or protect correlative rights, public health, or the environment.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**



**ADRIENNE SANDOVAL
DIRECTOR**

AS/dm

DATE: 2/22/2021

Exhibit A

Gas Custody Transfer Meter Location (NMPM):

WC-025 G-07 S243225C; LWR BONE SPRIN

97964

W/2 E/2 Sec 26 & 35

T24S-R32E

Wells

30-025-41813

Eider Federal #2H

O-35-24S-32E

97964

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1625 N. French Dr., Hobbs, NM 88240
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Phone:(505) 476-3470 Fax:(505) 476-3462

State of New Mexico
Energy, Minerals and Natural Resources
Oil Conservation Division
1220 S. St Francis Dr.
Santa Fe, NM 87505

CONDITIONS

Action 16245

CONDITIONS OF APPROVAL

Operator: COG OPERATING LLC 600 W Illinois Ave Midland, TX79701			OGRID: 229137	Action Number: 16245	Action Type: C-107B
OCD Reviewer	Condition				
dmcclure	Please review the content of the order to ensure you are familiar with the authorities granted and any conditions of approval.				